

Senate File 2330 - Reprinted

SENATE FILE _____
BY COMMITTEE ON STATE GOVERNMENT
(SUCCESSOR TO SF 2142)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act prohibiting monitor vending machines and providing an
2 excise tax and an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 SF 2330
5 ec/cc/26

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1 1 Section 1. Section 99G.3, subsection 7, Code 2005, is
2 amended to read as follows:
1 3 7. "Lottery", "lotteries", "lottery game", "lottery games"
1 4 or "lottery products" means any game of chance approved by the
1 5 board and operated pursuant to this chapter and games using
1 6 mechanical or electronic devices, provided that the authority
1 7 shall not authorize a monitor vending machine or a player=
1 8 activated gaming machine that utilizes an internal randomizer
1 9 to determine winning and nonwinning plays and that upon random
1 10 internal selection of a winning play dispenses coins,
1 11 currency, or a ticket, credit, or token to the player that is
1 12 redeemable for cash or a prize, and excluding gambling or
1 13 gaming conducted pursuant to chapter 99B, 99D, or 99F.
1 14 Sec. 2. Section 99G.3, Code 2005, is amended by adding the
1 15 following new subsection:
1 16 NEW SUBSECTION. 8A. "Monitor vending machine" means a
1 17 machine or other similar electronic device that includes a
1 18 video monitor and audio capabilities that dispenses to a
1 19 purchaser lottery tickets that have been determined to be
1 20 winning or losing tickets by a predetermined pool drawing
1 21 machine prior to the dispensing of the tickets.
1 22 Sec. 3. NEW SECTION. 99G.30A MONITOR VENDING MACHINE ==
1 23 TAX IMPOSED.
1 24 1. If revenues are generated from monitor vending machines
1 25 on or after forty-five days following the effective date of
1 26 this Act, then there shall be a monitor vending machine excise
1 27 tax imposed on net monitor vending machine revenue receipts at
1 28 the rate of sixty-five percent.
1 29 2. a. The director of revenue shall administer the
1 30 monitor vending machine excise tax as nearly as possible in
1 31 conjunction with the administration of state sales tax laws.
1 32 The director shall provide appropriate forms or provide
1 33 appropriate entries on the regular state tax forms for
1 34 reporting local sales and services tax liability.
1 35 b. All powers and requirements of the director to
2 1 administer the state sales and use tax law are applicable to
2 2 the administration of the monitor vending machine excise tax,
2 3 including but not limited to the provisions of section 422.25,
2 4 subsection 4, sections 422.30, 422.67, and 422.68, section
2 5 422.69, subsection 1, sections 422.70 to 422.75, section
2 6 423.14, subsection 1 and subsection 2, paragraphs "b" through
2 7 "e", and sections 423.15, 423.23, 423.24, 423.25, 423.31 to
2 8 423.35, 423.37 to 423.42, 423.46, and 423.47.
2 9 c. Frequency of deposits and quarterly reports of the
2 10 monitor vending machine excise tax with the department of
2 11 revenue are governed by the tax provisions in section 423.31.
2 12 Monitor vending machine excise tax collections shall not be
2 13 included in computation of the total tax to determine
2 14 frequency of filing under section 423.31.
2 15 3. For purposes of this section, "net monitor vending
2 16 machine revenue receipts" means the gross receipts received
2 17 from monitor vending machines less prizes awarded.
2 18 Sec. 4. TRANSITION PROVISIONS == MONITOR VENDING MACHINES.

2 19 Notwithstanding any provision of section 99G.3, as amended by
2 20 this Act, to the contrary, a retailer that has acquired a
2 21 monitor vending machine prior to the effective date of this
2 22 Act shall be allowed to offer the machine to the public for
2 23 only forty=five days following the effective date of this Act.
2 24 On or after forty=five days following the effective date of
2 25 this Act, a retailer shall not make a monitor vending machine
2 26 available to the public.
2 27 Sec. 5. EFFECTIVE DATE. This Act, being deemed of
2 28 immediate importance, takes effect upon enactment.
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